

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

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In re : Chapter 9
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CITY OF DETROIT, MICHIGAN, : Case No. 13-53846
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Debtor. : Hon. Steven W. Rhodes
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**FINANCIAL GUARANTY INSURANCE COMPANY'S
JOINDER IN THE MOTION OF THE OBJECTORS FOR LEAVE
TO CONDUCT LIMITED DISCOVERY IN CONNECTION WITH MOTION
OF THE DEBTOR FOR A FINAL ORDER PURSUANT TO 11 U.S.C. §§ 105, 362,
364(C)(1), 364(C)(2), 364(E), 364(F), 503, 507(A)(2), 904, 921 AND 922 (I) APPROVING
POST-PETITION FINANCING, (II) GRANTING LIENS AND PROVIDING
SUPERPRIORITY CLAIM STATUS AND (III) MODIFYING AUTOMATIC STAY**

Financial Guaranty Insurance Company (“**FGIC**”), a creditor and party in interest in the above-captioned case,¹ by and through its undersigned counsel, hereby joins in the *Motion of the Objectors for Leave to Conduct Limited Discovery in Connection with Motion of the Debtor for a Final Order Pursuant To 11 U.S.C. §§ 105, 362, 364(c)(1), 364(c)(2), 364(e), 364(f), 503, 507(a)(2), 904, 921 and 922 (I) Approving Post-Petition Financing, (II) Granting Liens and Providing Superpriority Claim Status and (III) Modifying Automatic Stay*

[Docket No. 1640] (the “**Motion**”).

¹ FGIC is a creditor and party in interest as it has issued various insurance policies that guarantee payment obligations of the City, including (i) the scheduled payment of principal and interest on \$136,150,000 in aggregate principal amount of Sewer Disposal System Revenue Bonds and \$376,945,000 in aggregate principal amount of Water Supply System Revenue Bonds issued by the City, (ii) the scheduled payment of principal and interest on \$1.1 billion in aggregate principal amount of certificates of participation (“**COPs**”), which evidence individual, undivided proportionate interests in the rights to receive certain payments to be made by the City pursuant to certain service contracts (the “**Service Contracts**”) that the City entered into as part of an alternative funding mechanism to pay the unfunded actuarial liability of the City’s two retirement systems, and (iii) certain quarterly and termination payments owed by the City under the Service Contracts with respect to swap contracts related to certain series of the COPs.

In support of this joinder, FGIC adopts and incorporates the arguments in the Motion in their entirety as if fully set forth in this joinder. FGIC intends to file an objection to the *Motion of the Debtor for a Final Order Pursuant To 11 U.S.C. §§ 105, 362, 364(c)(1), 364(c)(2), 364(e), 364(f), 503, 507(a)(2), 904, 921 and 922 (I) Approving Post-Petition Financing, (II) Granting Liens and Providing Superpriority Claim Status and (III) Modifying Automatic Stay* [Docket No. 1520].

WHEREFORE, for the reasons set forth in the Motion, FGIC respectfully requests that the Court (i) grant the relief requested in the Motion and (ii) grant such other and further relief as the Court may deem just and proper.

Dated: November 13, 2013
Birmingham, Michigan

/s/ Mark R. James
Ernest J. Essad Jr.
Mark R. James
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– and –

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*Attorneys for Financial Guaranty Insurance
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Certificate of Service

I, Mark R. James, hereby certify that on November 13, 2013, I caused the foregoing *Financial Guaranty Insurance Company's Joinder in the Motion of the Objectors for Leave to Conduct Limited Discovery in Connection with Motion of the Debtor for a Final Order Pursuant to 11 U.S.C. §§ 105, 362, 364(C)(1), 364(C)(2), 364(E), 364(F), 503, 507(A)(2), 904, 921 and 922 (I) Approving Post-Petition Financing, (II) Granting Liens and Providing Superpriority Claim Status and (III) Modifying Automatic Stay* to be filed and served via the Court's electronic case filing and noticing system to all parties registered to receive electronic notices in this matter.

/s/ Mark R. James
